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Angry CIA Boss Threatens Media

EXCLUSIVE TO THE SPOTLIGHT

By Victor Marchetti

William Casey, director of the CIA, recently threatened the Washington "Post" with possible prosecution because of stories the "Post" printed last month regarding the U.S. attack on Libya. Casey warned two of the paper's top editors that the stories were in violation of an obscure 1950 statute dealing with communications intelligence and claimed he had the newspaper "cold."

Casey's blatant attempt to intimidate the liberal Establishment newspaper came at a meeting the CIA director called at the Justice Department, with Deputy Attorney General D. Lowell Jensen present. Later that day, Casey met with the "Post's" executive editor (Benjamin Bradlee) and managing editor (Leonard Downie Jr.) at the University Club and continued with his intimidation tactics.

"We've already got five absolutely cold violations" against the news media, he claimed. But Casey said no final decision had been made on whether indictments should be sought. In addition to the "Post," the other offenders in Casey's opinion are the New York "Times," the Washington "Times," "Newsweek" and "Time" magazines. He did not specify what the alleged charges were against the other Establishment publications.

(The four other publications were queried by the "Post," but none was aware of the CIA director's allegations, nor of any threats of government prosecution.)

Casey also warned the "Post's" edi-

tors that possible prosecution would be "an alternative that would have to be considered" if the newspaper were to publish another story about U.S. intelligence failure, which the paper has not yet made a decision to print.

According to sources inside the "Post," the story in question has to do with Ronald Pelton, a former employee of the super-secret National Security Agency, who spied for years for the Soviet KGB and was due to come to trial on May 12. The trial has been unaccountably delayed.

COVER-UP

Pelton, Larry Wu-Tai Chin and Jonathan Pollard were all arrested on the same weekend in November of last year. Chin, who was a longtime spy for the communist Chinese, allegedly committed suicide in his jail cell just before he was to be sentenced to life imprisonment.

Pollard, an agent for Israeli intelligence, still has not even been indicted and probably is arranging a plea bargain with the Justice Department.

"I'm not threatening you," Casey said to the "Post" editors, "but you've got to know that if you publish this [the Pelton story] I would recommend that you be prosecuted under the intelligence statute."

Asked if he was referring to the old communications intelligence statute, Casey said: "Yeah, yeah. I don't practice law anymore. You know what I'm talking about."

But does he? Not so, according to First Amendment legal experts interviewed by The SPOTLIGHT.

These experts point out, as do the editors of the "Post," that President Ronald Reagan publicly revealed the

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origin of the intelligence data used to justify the air attack against Libya in retaliation for the Berlin nightclub bombing of a couple of months ago.

Thus, the subsequent reporting by the "Post" and other Establishment news media—based on information fed to them by government officials—did not reveal anything more about U.S. intelligence capabilities than the president himself did.

"Casey is bluffing," one of The SPOTLIGHT's legal sources said. "He's just trying to cover for the president by scaring the 'Post' with a costly nuisance suit. But there's more to it than that.

"The 'Post's' story about Pelton is a blockbuster. It will be still another embarrassment to Casey and his leadership of the U.S. intelligence community.

"Furthermore, Casey doesn't want the 'Post' to print that story you guys broke a couple of weeks ago [The SPOTLIGHT, May 12] about the KKK operating inside the CIA. That story could blow him right out of the water in Washington, but he doesn't know what to do about it except to threaten the 'Post' and the other Establishment papers."

VENDETTA

Sources inside the Establishment media are well aware of Casey's animosity—and the reasons for it. In one of the strange quirks of the Establishment system, Casey has been frequently called a crook and a liar—a man totally unfit for the responsible position he holds at the sufferance of a president whose personal loyalties too often exceed his sense of duty to his country.

Casey has never forgiven the news media for exposing his dubious financial dealings while a member of the Securities and Exchange Commission, as Ronald Reagan's campaign manager and ultimately as the director of the CIA. And he remains furious, according to CIA insiders, over the fact that the news media exposed his friend Max Hugel and forced him to resign his post as chief of the CIA Clandestine Services.

Casey is also angry about the fact that the news media has exposed some of his more wild covert operations around the world: his plans of the early 1980s to invade Libya and overthrow Muammar el-Qaddafi, to go to war in Afghanistan and Cambodia, to invade Angola and Nicaragua—all for the benefit of his big bank and big corporation clients, in whose firms he has invested many dollars, even while director of the CIA.

ON A ROLL

But at the moment, Casey is on a roll and riding high. He has cleaned house in the CIA by pushing out the last of the moderate voices—and a true intelligence collection professional—John McMahon, his former deputy. McMahon has been replaced by Robert Gates, whom most of the CIA old-timers consider to be nothing more than an ambitious sycophant.

"He's Casey's Charlie McCarthy," said one veteran to The SPOTLIGHT. "A little smarter than Mortimer Snerd, but still a dummy."

At the same time, Casey, who was hanging by a thin thread just a few months ago, has re-established his power position within the Reagan administration through his ability to dominate Secretary of Defense Caspar Weinberger, Secretary of State George Shultz and the president's new national security adviser, Adm. John Poindexter.

Meanwhile, Casey has also gained the upper hand in his continuing struggle with the Senate Select Subcommittee for Intelligence Oversight.

"[Chairman Sen. David] Durenberger [R-Minn.] is a whipped dog," one committee staffer told The SPOTLIGHT. "He doesn't dare challenge Casey any longer. And [Vice Chairman Sen. Patrick] Leahy [D-Vt.] is running scared. Casey can do anything he wants right now and the committee will let him get away with it.

"He's the new J. Edgar Hoover in town. He's got a file on everybody. They'll play the game his way—or else."